Manitoba

Annual Report 1988 - 89

Manitoba Industry, Trade and Tourism

91-01309/

Minister of
Industry, Trade and Tourism

Winnipeg, Manitoba, CANADA
R3C 0V8

His Honour George Johnson
Lieutenant-Governor of Manitoba
235 Legislative Building
Winnipeg, Manitoba

May It Please Your Honour:

I am pleased to present the Annual Reports of the Department of Industry, Trade and Tourism and an associated agency, the Manitoba Trading Corporation, for the fiscal year ending March 31, 1989. Two other associated agencies, the Manitoba Research Council and the Manitoba Horse Racing Commission, report annually under separate cover.

Respectfully submitted,

J.A. Ernst
Minister of Industry, Trade and Tourism

Manitoba

Deputy Minister of Industry, Trade and Tourism

Winnipeg, Manitoba, CANADA
R3C 0V6

The Honourable J.A. Ernst
Minister
Manitoba Industry, Trade and Tourism

Sir:

It is my privilege to present the Annual Reports of the Department of Industry, Trade and Tourism and an associated agency, the Manitoba Trading Corporation.

The Report of the Department of Industry, Trade and Tourism concerns the fiscal year 1988/89, during which the Department of Industry, Trade and Technology was amalgamated with the Department of Business Development and Tourism.

Respectfully submitted,

H.G. Eliasson

Hugh G. Eliasson
Deputy Minister of Industry, Trade and Tourism

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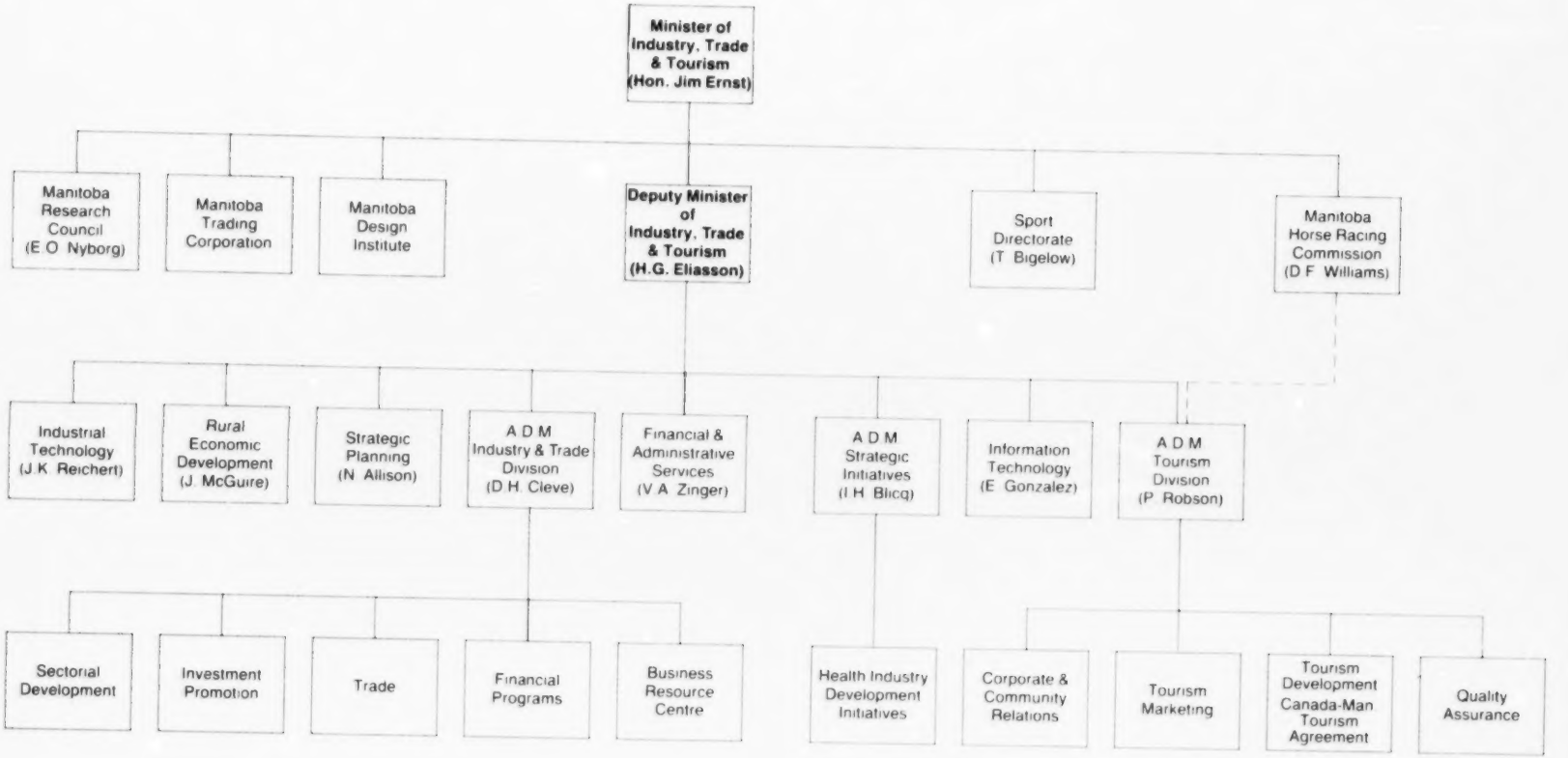
Organization Chart — Manitoba Industry, Trade and Tourism — 1988-1989

Reporting to the Minister of Industry, Trade and Tourism
March 31, 1989


Minister of Industry, Trade & Tourism (Hon. Jim Ernst)
Manitoba Research Council (E O Nyborg)
Manitoba Trading Corporation
Manitoba Design Institute
Deputy Minister of Industry, Trade & Tourism (H.G. Eliasson)
Sport Directorate (T Bigelow)
Manitoba Horse Racing Commission (D F Williams)
Industrial Technology (J K Reichert)
Rural Economic Development (J McGuire)
Strategic Planning (N Allison)
A D M Industry & Trade Division (D H Cleve)
Financial & Administrative Services (V A Zinger)
A D M Strategic Initiatives (I H Blicq)
Information Technology (E Gonzalez)
A D M Tourism Division (P Robson)
Sectorial Development
Investment Promotion
Trade
Financial Programs
Business Resource Centre
Health Industry Development Initiatives
Corporate & Community Relations
Tourism Marketing
Tourism Development Canada-Man Tourism Agreement
Quality Assurance

Department Introduction

In the fiscal year 1988/89, the Department of Industry, Trade and Technology was amalgamated with the Department of Business Development and Tourism, creating the new Department of Industry, Trade and Tourism, the lead agent for economic development in Manitoba.

The Department supports and encourages business and industrial entrepreneurial activity by providing assistance in obtaining equity funding, working capital, and the retention of professional consulting services for business start-ups or expansions; and offering programmes which encourage the introduction of advanced technologies, new initiatives in the export market, and the development of tourism marketing and promotion.

The Department is comprised of four divisions: Administration and Finance, Industry and Trade, Technology and Tourism.

Functions

1. Deputy Minister — advises the Minister on policy matters; establishes and maintains effective inter-agency liaison and communications with the private sector and institutions with respect to economic activities. Co-ordinates and manages the activities of the Department.
2. Strategic Planning — responsible for economic policy development, economic research, program evaluation, Strategic Studies Program management and appraisal of projects relating to the Department's role as lead agency for economic development.
3. Financial and Administration Services — provides accounting, personnel management and other administrative requirements and central services to the Department.
4. Assistant Deputy Minister, Industry and Trade — responsible to the Deputy Minister for matters relating to sectoral development, investment promotion, financial programs, trade and trade development, the Business Resource Centre, and regional economic development.
5. Industry and Trade Division — encourages and assists the establishment and expansion of industrial ventures in Manitoba in order to create new employment opportunities; promotes Manitoba goods and services in external markets; administers policy aimed at maximizing benefits from public purchasing activities; and promotes Manitoba's potential for business and industrial investment.
6. Manitoba Trading Corporation — established under authority of the Manitoba Trading Corporation Act to encourage, develop and increase Manitoba exports and trade. (See affiliated agencies in this report).
7. Assistant Deputy Minister, Strategic Initiatives — responsible to the Deputy Minister for identification, pursuit and implementation of strategic initiatives in selected non-traditional sectors with broad public service characteristics, such as the health industries, involving public sector effort and private investment to create long-term jobs; and negotiation with the Federal Government of long-term multi-departmental support.
8. Business Resource Centre — provides information and counsel to those considering establishing a small business, with special consideration for new rural and women entrepreneurs.
9. Technology Division — promotes technological development in the Province by advising and assisting on matters related to science, research and development, engineering and technology; by planning, developing and delivering a range of informatics and other technology-related initiatives, including Industrial Technology, the Manitoba Aerospace Technology Program, and Information Technology Industry Development. Acts as lead agent in departmental, governmental and intergovernmental matters related to science and technology.
10. Manitoba Research Council — established under authority of The Research Council Act to advise the Minister, recommend policies and administer selected programs to stimulate application of scientific and technical research to foster economic growth (Annual Report tabled under separate cover).
11. Assistant Deputy Minister, Tourism — responsible to the Deputy Minister for matters relating to tourism marketing and development.
12. Tourism Marketing and Development — responsible for the promotion of Manitoba as a tourist destination, and for analyzing, evaluating and recommending the most effective utilization of tourism-related resources. In consultation with the industry, prepares strategies and programs compatible with tourism development policies.
13. Corporate and Community Relations — the central department agency for dissemination of information internally within the Department and externally for public consumption.

Strategic Planning

Objectives

The Strategic Planning Branch's objectives are to provide planning support, policy comment and research services to the Executive and to the Department, in support of the Department's role as "lead agent" responsible for economic development activities.

Activities

The Branch:

- Authors or co-ordinates the production of briefing materials for the Department's Executive and provides, as requested, policy and program assessments.
- Co-ordinates the Department's strategic planning efforts and enters into contracts with private sector consultants to undertake research projects in support of economic policy development.
- Manages the Research and Strategic Studies Program and provides the co-secretary function for the Canada-Manitoba Tourism Development Agreement.

Results

A major undertaking during the year was the consolidation of the roles and functions of a branch having 19 authorized positions into one having nine.

Notwithstanding its much smaller size, the Branch continued to provide a wide range of economic research, evaluation, policy and strategic planning support activities to the Department. It maintained staff support for the Horse Racing Commission and the Intergovernmental Committee of Ministers on Internal trade.

A highlight of the year included the drafting, together with staff from Government Services, of the Western Canada Memorandum of Understanding on Interprovincial Trade Barriers.

Financial and Administrative Services

Objectives

The objective of the Finance and Administration Branch is to provide administrative and support services to the Department of Industry, Trade and Tourism in accordance with government policy and regulatory procedures set out by central agencies within the Provincial administration.

Activities:

The Branch:

- Co-ordinates and provides administrative and financial services for the department, the Manitoba Research Council and the Sport Directorate. This included centralized services such as specialized accounting, financial management, information support, personnel management, computer systems and office facilities.
- Ensures that all government legislative and regulatory requirements pertaining to expenditures, records, revenues, procurement and personnel are addressed in an appropriate and timely manner.
- Provides direction and leadership in areas such as Freedom of Information, French Language services, Affirmative Action, Decade for the Disabled requirements, Emergency Measures input, and Executive Development.

Results

A number of functions performed by the Finance and Administration Branch were either reorganized or deleted with the amalgamation of the two departments in September 1988. The Business Library was transfered to the Business Resource Centre. The centralized registry, filing and Word Processing Centre for the departments were eliminated. During the year, the amalgamation process placed heavy workload demands upon the Finance and Administration Branch in reorganizing staff, reallocating budgets and revising financial reports and statements to reflect the new organization.

Workload statistics are available for the ongoing functions of the Branch. The Financial Management section processed approximately 12,150 payments to suppliers and government departments and received 1,500 revenue payments during the year. Three hundred and forty (340) authority seeking documents, including Cabinet Committee submissions and Orders in Council, were routed through the Branch. Computer Services supported and maintained a total of 157 computers and printers. Eight (8) systems projects were conducted. The Personnel Services section completed 58 appointments, conducted nine (9) job competitions and processed payroll information for 275 people.

In addition the Branch addressed new requirements such as the assignment and administration of employee parking, tax benefit calculations for assigned vehicles and addressed three Freedom of Information inquiries after the September proclamation of the Freedom of Information Act.

Industry - Sectoral Development Branch

Objectives

The objectives of the Sectoral Development Branch are to encourage investment and industrial and commercial opportunities in Manitoba by attracting new capital from in-province entrepreneurs and out-of-province investors, and to promote the expansion of existing facilities and the sustaining of investment in Manitoba.

Activities

The Branch:

- Identifies and markets investment opportunities to industrial development prospects both within and outside Manitoba.
- Works to maintain positive liaison between the provincial government, other levels of government and private industry. Plays a co-ordinating role in ensuring that municipal and federal business development programs operate in concert with Manitoba's business promotion activities. Ensures that Manitoba businesses obtain the maximum amount of available federal assistance.
- Maintains contact with federal offset program staff to ensure Manitoba manufacturers have every opportunity to gain industrial benefit/offset work.
- Provides a program of cost-shared (government/industry) studies in support of economic development activities. Negotiates development agreements which encourage private companies to invest and create jobs in Manitoba.

Results

The Branch was associated with the creation of over 1000 jobs involving new private sector capital investment exceeding $100 million. Notable among the new factories establishing was Fripp Fibre Forms with an investment of $5.5 million, while significant expansions occurred at Palliser Furniture, Canadian Occidental, Burns Meats, and Carnation totalling $130 million. A major modernization was undertaken by Dominion Malting to ensure its position in the international marketplace. The Branch actively worked to obtain maximum assistance from all Federal programs, notably Western Economic Diversification, to assist industry in Manitoba. The Branch also assisted local firms to obtain contracts to fulfill Federal offset programs.

Industry - Investment Promotion Branch

Objectives

The objectives of the Investment Promotion Branch are to promote investment opportunities and attract development capital from outside Manitoba in order to create new, or expand existing, industrial and commercial enterprises in the province, and to attract entrepreneurial immigrants and immigrant investors under the Business Immigration Program.

Activities

The Branch is active in:

- Promotional initiatives - such as incoming and outgoing investment missions, seminars, trade show visits or representations to prospective investors both in Manitoba and out of province.
- Liaison with and administration of the Hong Kong office and the Rotterdam based contract consultant.
- Administration of the Business Immigration Program. The Branch administers the province's entrepreneur and investor class immigration initiatives which provide landed immigrant status to entrepreneurs establishing small businesses in Manitoba, and to investors committing a minimum of $150,000 investment for at least three years in approved commercial ventures or in syndicate funds providing venture capital for Manitoba projects.
- Actively seeking strategic partners for Manitoba companies through licensing, joint venture or technology transfer opportunities.
- Promotional activities currently carried out in these selected markets:
  - Other jurisdictions within Canada (primarily Ontario and Quebec).
  - United States: primarily in the west coast and eastern seaboard regions on a regular visitation basis.
  - East Asia: through our representative office in Hong Kong, a branch officer maintains a full-time presence in that city. He makes regular visits to mainland China, Korea and Taiwan.
  - Western Europe: a contract consultant located in Rotterdam provides full time representation through regular visits to target countries concentrating on the Netherlands, West Germany and Belgium.

Results

The Branch, through investment seminars and trade shows, improves the profile and investor knowledge of Manitoba. In conjunction with Sectoral Development, the Branch was associated with the creation of over 1,000 jobs involving new private sector capital investment exceeding $100 million. Forty-seven entrepreneurial immigrants invested $19.3 million in Manitoba-based enterprises. The Branch attracted subscriptions to the immigrant investor program funds totalling $46.4 million.

Financial Programs Branch

Objectives

The objectives of the Financial Programs Branch are to provide financial support, equity or incentives to companies located in the province that are involved in either manufacturing, processing, research or the commercial development of products or technological ideas within the Manitoba economy. The Branch administers seven programs whose objectives are as follows:

Manitoba Industrial Opportunities Program - To provide financial assistance to attract new capital investment, in the form of major industrial projects (50 new jobs or more) to Manitoba; to ensure the commitment to specific job creation by the recipient companies through negotiated terms for the financial assistance provided.

Technology Commercialization Program - To provide support for job creation and economic growth by encouraging technological entrepreneurship and the commercialization of embryonic technologies. The program is targeted towards technology-related entrepreneurs and businesses who are developing innovative ideas and products which have a high degree of technical content.

Manufacturing Adaptation Program - To encourage firms to become more aware of the benefits of high technology for their manufacturing and processing operations; to assist firms to complete technology adaptation studies to determine the feasibility of introducing advanced production equipment to their operations; to provide qualifying businesses with loan financing to secure high technology equipment; to provide counselling to businesses via either program staff or by arrangement with related departments/agencies.

Venture Capital Program - To assist small and medium sized businesses in obtaining equity capital for new start-ups, expansions and working capital; to bring the expertise of the private investors to the small businesses.

Canada-Manitoba Urban Bus Agreement - To provide financial support to private companies to conduct approved research and development projects within Manitoba for the development of selected new or improved products for the urban surface transportation industry.

Small Business Growth Fund (1987) - The Fund is a privately managed venture capital fund in Manitoba. The Fund is supported by the Department to the extent of $1.25 million representing a maximum of 48% of the capitalization. The Fund makes equity investments in Manitoba business that meet the criteria set by its advisory board. The Fund has a finite life of ten years with the objective of returning the original capital together with a commensurate return over this timeframe.

Technology Transfer Program - To establish selected Manitoba companies as suppliers to G.E. Canada for Manitoba Hydro's Limestone Generating Station, and as suppliers to G.E. Canada for worldwide markets, as well as placing firms in a better position to supply new markets.

Activities

Manitoba Industrial Opportunities Program - The program can provide a variety of incentives for business. The most common form of assistance is that of a secured, low interest loan. However, the incentives can also include various types of loan guarantees, interest subsidies or equity participation by way of preferred or common shares. The assistance could also take the form of training allowances or purchase agreements, and in some special cases, the program may also provide funds for cost-shared studies for potential industrial projects.

Only the cost-shared studies can be funded on a non-repayable basis; all other guarantees or debt instruments must be repaid.

Technology Commercialization Program - The financial assistance is provided through three elements of the program: New Business Assistance, Investment and Technology Transfer. New Business Assistance is in the form of a grant for a portion of actual costs incurred for specified business and technical activities.

The Investment element provides seed financing for successful companies previously involved in New Business Assistance. This investment is recovered through a royalty negotiated as a percentage of the firm's future gross sales. This element of the program was cancelled in June of 1988.

The Technology Transfer element of the program, through grant assistance, encourages the commercialization in Manitoba of technologies developed in universities, private sector or government laboratories. It also supports activities which contribute substantially to the development of Manitoba's technology transfer support infrastructure.

Manufacturing Adaptation Program - Firms can receive assistance for technology adaptation studies which examine the feasibility of introducing high technology to their manufacturing and processing operations. These studies are cost-shared on a 50/50 basis with program funding to a maximum of $5,000. Assuming the project is feasible, businesses can receive five-year loans, to a maximum of $50,000, towards the purchase of high technology equipment. The first two years are interest-free with the remaining three years at a reduced interest rate. Eligible businesses must be export-oriented or involved in inter-provincial trade or contemplating such involvement.

An integral part of the initiative involves the development and delivery of a series of skill building and technology awareness seminars and workshops, sponsored in cooperation with the Canadian Manufacturers' Association.

Venture Capital Program - The program was formally concluded at the end of the 1988/89 fiscal year. This decision was made because of the increased availability of private sources of venture capital, including funds from off-shore investors, which were accessible to Manitoba businesses.

Canada-Manitoba Urban Bus Agreement - The Agreement provides for financial contributions towards approved research and development projects of private firms developing selected new or improved products for the urban surface transportation industry.

Small Business Growth Fund - The Fund through its manager selects investment opportunities in Manitoba enterprises that are submitted to an Advisory Board which makes the final decisions. Investment positions are limited to a maximum of $250,000 in any one business enterprise.

Technology Transfer Program - Provides financial assistance for equipment purchases by Manitoba firms identified by General Electric Canada and the Department, who are potential sub-contract suppliers for components of the Limestone turbines and generators, but who lack a production process, a quality control system and a training program. G.E. Canada is committed to work with these companies and the Department to upgrade their capabilities via technology transfer.

Results

Manitoba Industrial Opportunities Program - Two agreements were concluded in 1988/89. One was a $200,000 federal-provincial cost-shared study and the other a negotiated $1,500,000 loan for a plant expansion with the potential to create 200 new jobs.

Technology Commercialization Program - The program provided support to 24 businesses during the current fiscal year with total expenditures as follows:

New Business Assistance	$250,842
Investment	335,000
	$585,842

The companies supported have identified approximately 100 jobs that to date have been either retained or newly created. According to business plans received, additional employment positions are planned to be created in the near/medium term from these projects. Other benefits accrue within the Province due to sub-contracted services and supplies.

Manufacturing Adaptation Program - The Program approved 10 Technology Adaptation Studies in the amount of $28,400 and 18 Technology Equipment Loans aggregating $611,600 during the 1989 fiscal year. The firms involved represent various business sectors including the garment industry, typesetting, video production, metal fabrication and machining, production of labels and the manufacture of memorials.

Venture Capital Program - The Program continued to operate during the 1988/89 fiscal year under the influence of the long-term residual effects of the October 1987 stock market crash. This resulted in only three applications being received, with one project approved for $385,000 (Province - $135,000, private investors $250,000). Program totals since inception are 81 Venture Capital Companies formed, 49 companies supported with total investment of $18.4 million of which the Province contributed $6.4 million; 1,160 jobs were created or maintained.

Of the total funds provided through the Venture Capital Program, over 70% has been invested in the manufacturing and processing sector with the balance in research and development, computer software, farm equipment repair and tourism projects.

The Province has been repaid a total of $600,000 on six of its investments and further payouts are being made. Fourteen companies have closed and one has been reorganized under new ownership since the program began.

Canada-Manitoba Urban Bus Agreement - This program supported two research and development projects during the current fiscal year in the amount of $104,850. The Agreement terminated with respect to project approvals on March 31, 1989 but projects in process will continue to be financially assisted for work completed by March 31, 1990.

Small Business Growth Fund - Investments continue to be made in line with the mandate of the Fund. As the Fund is in the first two years of its life no realizations have yet been made.

Technology Transfer Program - The Program provided financial assistance in the amount of $84,240 during the 1988/89 fiscal year which represented 25% of the capital investment of $337,000 for new production equipment. This has resulted in the creation of 12 new jobs and additional sales by the participating firm. New production technologies were introduced which have not only facilitated sub-contract opportunities with G.E. Canada, but are also expected to create significant new business opportunities.

Health Industry Development Initiative

Objectives

The objectives of this strategic initiative are: to develop the health industry in Manitoba through public effort and private investment; to create economically viable new investment and permanent high value employment opportunities through export, and substitution of imports, of health care products and services; and to improve the quality and productivity of the administration and delivery of health care services while helping to reduce health care costs.

Activities

The Initiative's activities are:

Industrial Development - Continued investment sourcing in Eastern Canada, and the United States, ie. joint ventures that arose from Free Trade opportunities, and continued overseas investment sourcing with increased emphasis on Europe.

Product Development - Further developed import replacement and procurement of industrial benefits. Exports of Manitoba health product firms were assisted and sales efforts were supported in health furniture, mobility aids and related products. Engaged in continued efforts in product opportunity identification with the assistance of a Task Force Group of Health Purchasing Managers and local manufacturers who expressed interest in health related products. Worked toward a revision of a health products catalogue for the fall of 1989.

Technology Development - Worked closely with the health research community in Manitoba to assist in advancing projects for funding in the areas of biotechnology, diagnostic systems, and prosthetics.

Aging and Rehabilitation - Established the Canadian Aging and Rehabilitation Product Development Centre.

Information/Communications - Further continued support of the newly established Canadian Health Telematics Inc.

Federal-Provincial Negotiations - Signed a five year Canada-Manitoba Health Industry Development Strategy in August of 1988.

Business support programs in support of the Canada/Manitoba Strategy were initiated, including a strategic opportunities study in nutrition, a pharmaceutical plant feasibility study and two technology commercialization projects.

Results

During 1988/89, 20 projects were implemented involving $80 million in capital and technological investments with near term employment totalling 130 jobs. The number of projects initiated increased from 57 to 90, and of these over 70 are under active negotiation at the end of the fiscal year.

Industrial development opportunities have been identified and have been pursued in Eastern Canada, Minnesota, Israel, Germany, Japan, Scandinavia, Holland and Belgium.

Joint ventures and technology transfer projects have been pursued with health product firms in Israel, Japan, the United Kingdom, and Hungary.

Additional jobs were created as a result of cooperation in hospital equipment procurement. Component purchases were arranged for three Manitoba firms as a result of the commitment for $3 million related to the CT Scanner purchase and $5 million in commitments from other radiological purchases.

A $9 million imaging research and development project was stimulated through cooperation with St. Boniface Hospital Research Foundation, Siemens Ltd. and the Federal Government.

The Canadian Aging and Rehabilitation Product Development Corporation was established with $19 million committed from the Federal and Provincial Governments.

The major initiatives in health information with growth communications technology were maintained, including the Unisys health software competency centre, and the establishment of the Canadian Health Telematics Centre sponsored by the Federal Government.

Significant additional Federal commitments were advanced to the following:

- the Canadian Disease Control Virology Laboratory
- the Canadian Animal Virology Laboratory
- the Canadian Health Telematics, Inc.
- support for specific industrial projects.

Trade Branch

Objectives

The objectives of the Trade Branch are:

- To promote increased export of goods and services in domestic and international markets thereby stimulating the creation and maintenance of employment in the Manitoba goods-producing and service sectors.
- To facilitate and maximize new industrial development opportunities arising from major project developments occurring within Manitoba thus ensuring Manitoba suppliers are afforded maximum opportunity to obtain benefits from public purchasing activities.
- To conduct policy research and analysis on trade issues impacting on the Manitoba economy.

Activities

The Branch:

- Administers a Trade Assistance Program that provides cost-sharing support for individual company participation in trade shows outside Manitoba.
- Organizes and manages group participation by Manitoba firms in recognized international trade shows.
- Organizes group sales missions to external markets.
- Provides consulting assistance to Manitoba industry on export market opportunities, pricing, financing, documentation and other related technical aspects of exporting.
- Organizes seminars on market opportunities or export skills.
- Promotes Manitoba's capabilities in manufacturing, professional engineering and consulting services.
- Assists in the development and co-ordination of programs and activities to maximize the benefits accruing to Manitoba from major projects taking place in the Province.
- Undertakes policy research and analysis on complex trade policy issues and monitors Manitoba's trade performance.
- Sponsors the Manitoba Export Awards to acknowledge export achievement.

Results

Support and assistance activities of the Trade Branch resulted in total company-reported committed sales of $3.41 million and projected sales over a 12-month period of $26.21 million for a grand total of $29.62 million.

Eighty-five grants were provided to 68 companies to participate in 73 different trade shows on an individual basis, resulting in $1.17 million committed sales and $6.35 million in projected sales. Exhibiting companies appointed 72 agents.

Eighty-one different companies were supported at 15 Manitoba group exhibits at major industry sector trade shows in Canada and the USA, resulting in $413,000 committed sales and $16.82 million in projected sales. A total of 90 agents and distributors were appointed.

Trade Branch maintained information booths at nine shows in support of Manitoba's manufacturing capabilities in general. Advertising was placed in seven publications and industry sector directories and videos were displayed at Canada Stands at five International Trade Shows. A total of 65 companies received exposure to 13 incoming and out-going trade missions related to defence, hi-tech, grain handling technology and professional services. Although this activity generally meets longer term objectives, three companies achieved on-the-spot sales of $5,750 and eight companies projected sales of $830,000 over the next 12 months. Nine agents were appointed.

Consultation was provided to 366 companies on trade development needs and 276 export services enquiries were handled. Identifiable sales influenced by such counselling amounted to $1.83 million actual and $875,000 projected.

The Branch organized or sponsored 15 trade-related seminars which attracted 712 participants.

Trade policy and research activity continued as the Canada-U.S. Free Trade negotiations progressed and the new round of GATT negotiations reached mid-term. With the implementation of FTA with the U.S., a number of strategic programs in the form of seminars and sales missions were launched.

The Branch organized the fifth annual Manitoba Export Awards and honoured the achievements of four exporters: Boeing of Canada, Winnipeg Division; Selkirk Wood Industries Ltd.; Wilson Auto Electric Ltd.; and Federal Pioneer Ltd. Honourable Mention Awards went to Canada Wire and Cable Ltd., and Vidir Machine Shop of Arborg, Manitoba.

Business Resource Centre

Objectives

The objectives of the Business Resource Centre are to increase the level of entrepreneurial activity and successful business starts in the province, to improve the managerial effectiveness of business owners-managers and to enhance the availability of quality economic and management information to the business sector.

Activities

The Centre provides a first point-of-contact for entrepreneurs seeking information and counselling or training, delivering the following services:

- **Business Library Services** provides comprehensive reference and lending library services in print and electronic formats. Includes a video tape collection of over 100 management titles.
- **Business Information and Publications** provides advice, counselling and information including the development and distribution of publications for owner-managers.
- **Entrepreneurial Development and Training** develops and delivers a range of courses and seminars for entrepreneurs to improve business skills.
- **Business Counselling** responds to entrepreneurs' requests for counselling, and refers enquiries to other departmental branches. Includes the Master in Business Administration Student Counselling Program and the Rural Business Counselling Initiative.
- **Women's Entrepreneurial Development** promotes business ownership by women as an economic alternative to following accepted traditional careers.
- **Manitoba Marketing Network, Incorporated** a private/public partnership between the Department and members of Manitoba's business community, provides consultative assistance in marketing and product promotion to business clients, via its private sector advisory group.
- **Special Programs** participates in entrepreneurial development programs such as Small Business Week.

Results

The Centre was relocated to 155 Carlton Street, Winnipeg, adjacent to the business library.

Business Library Services aided professional staff and the business community at large and answered approximately 6,000 inquiries. Internal functions included records management and freedom of information co-ordination. An Audio-Video Resource Centre, offering films and tapes relating to small business management was accessed by approximately 400 users.

Business Information and Publications provided assistance in the form of counselling and information to 8,358 clients in Winnipeg and rural Manitoba of whom 3,107 were female. A total of 23 self-help publications were offered including a bulletin entitled "Of Interest to Women".

Entrepreneurial Development and Training offered courses and seminars in Winnipeg and communities throughout the Province to enable entrepreneurs to develop innovative strategies and improve management skills. Approximately 1,650 participants attended 97 courses and seminars. Many of these entrepreneurial development programs were delivered through the public school system and other co-operating bodies.

Business Counselling provided assistance to business in a number of sectors, including retail, service and manufacturing. Services were offered in accounting and financing, marketing, production and general business. The consultants at the Centre provided assistance to approximately 856 Winnipeg clients and 231 rural clients.

The M.B.A. Student Consulting Program enabled Master of Business Administration students, guided by departmental staff and university professors, to assist ten small business clients during the summer of 1988.

Rural Business Counselling Initiative conducted a series of one-on-one individual counselling sessions with small business owner-managers in Flin Flon, using departmental consultants.

The Women's Entrepreneurial Initiative has introduced a co-ordinated and effective program for women in business. Its achievements included: "Of Interest to Women", a directory of programs and services, distributed to 10,000 persons and organizations; financial and technical support to two conferences; a Provincial couterparts meeting initiated by the Department; and participation in the Women's Consultative Initiative.

Manitoba Marketing Network, Incorporated provided personalized service to over 120 small businesses. The Network, with 25 volunteer executives from Winnipeg, Brandon, Selkirk and Dauphin, successfully conducted two marketing workshops in Winnipeg.

Special Programs involved the Centre's participation in trade shows, Small Business Week and various other speaking and promotional engagements, in keeping with the program's high profile and public accessibility. The development of ethnic and minority entrepreneurs continued to receive special attention through the Canadian Council for Native Business, the Community Business Initiative, the Core Area Initiative's Entrepreneurial Program, and other activities targeted toward these groups.

Rural Economic Development Branch

Objectives

The objectives of the Rural Economic Development Branch are to identify and establish a process whereby the full potential for rural economic development may be developed and to improve relations with the economic regions of the province in order to marshall support for measures addressing regional needs and opportunities.

Activities

The Branch:

- Serves as Secretariat to the Rural Economic Development Committee of Cabinet.
- Serves as the Committee's representative in the regions on a day-to-day basis, carrying out the necessary staff functions to ensure the efficient functioning of the Cabinet Committee's mandate.
- Acts as a "reasoned" advocate of the regions within the line departments according to priorities sanctioned by the Cabinet Committee.
- Administers the grants to the Regional Development Corporations. (R.D.C.'s)
- Provides support to the R.D.C.'s and the communities to carry out their mandates.
- Liaises with the Federal Government to influence the delivery of Federal programs in a co-ordinated way to reflect the priorities of the regions and the Provincial Government.
- Reviews the priorities of each region, establishes policy and recommends resources allocations.

Results

The Branch administered a total of $660,343 in operating grants to the six Regional Development Corporations.

Individual development officers assigned to each of the six R.D.C. regions assisted the Board and Manager of each to articulate regional development strategies, and to develop and implement work plans for this and the subsequent fiscal periods.

Staff of the Branch also assisted community councils and/or local economic development organizations to prepare strategies and plans leading to improving local facilities and implementing development projects.

Branch Staff maintained a formal liaison with the federally-sponsored Community Futures Program and with that program's 12 regionally-based development organizations to ensure awareness of, and complementarity to, provincial and local initiatives relating to their strategies and programs.

The Branch Director served as secretary to the Rural Economic Development Committee of Cabinet during its meetings.

Inquiries from rural entrepreneurs or corporations were provided with initial consultations and directed, where necessary, to the most appropriate departmental branch or outside agency.

Industrial Technology Branch

Objective

The objective of the Industrial Technology Branch is to further Manitoba's technology-based economic development by:

- providing analytical, advisory and support service on matters related to science, research and development, engineering and technology; and
- planning, developing and delivering a range of technology-related initiatives.

Activities

The Branch's activities encompass four principal areas:

- Acting as lead agent in departmental, governmental and inter-governmental matters related to science and technology (planning, policy, programs).
- Assessing and advising on proposals and actions of governments, the private sector, and others engaged in science, research and development, engineering, and other technology-related activity.
- Developing linkages, interaction, liaison and co-operation among groups involved in and affected by science and technology. This activity may involve intramural and extramural activity with governments, business, education and the community; in particular, it involves the Manitoba Research Council, Manitoba's environment, defence and space business sectors, and others, through joint projects and the provision of assistance.
- Planning, developing, and, where appropriate, undertaking a range of assistance and support for activity related to technology in Manitoba. The Industrial Technology Branch delivers the Manitoba Aerospace Technology Program and is presently pursuing industrial development strategies that focus on innovation in Manitoba and related to sustainable economic development. The Branch is responsible for the implementation of the Manitoba Centres of Excellence Fund. The Branch supports the operation of the Technology Commercialization Program, undertakes initiatives related to technology transfer, and assists the operation of other technology-related departmental initiatives.

Results

Branch activities have resulted in:

- Continued satisfactory record of response to all issues referred to the Branch through senior departmental management and the Minister (involving several dozen substantial matters). Analysis and advice on a variety of government matters related to science and technology (eg. Canadian Space Program, Radarsat, Western Canadian Cooperation in Science and Technology, support for Manitoba's participation on the Council of Science and Technology Ministers).
- Ongoing output of sound analysis, assessments and recommendations on matters, proposals and actions related to science and technology (eg. government science and technology expenditure statistics, advice on the Manitoba Research Council operations, assessment of federal science and technology activity in Manitoba).
- Continued development of linkages and cooperation among those either active in technological change or affected by it, including improvements in coordination between provincial departments in science and technology areas and increased public awareness of science and technology (for example, through support for science fairs and facilitation of access to the federal Science & Technology Public Awareness funds). Representation of provincial interests on the Canadian Institute for Industrial Technology, Standards Council of Canada, National Research Council Provincial Advisory Committee, etc.
- Effective delivery of technology-related programs for which the Industrial Technology Branch has lead responsibility, including the Manitoba Aerospace Technology Program and Manitoba Centres of Excellence Fund. Administrative responsibilities for the Technology Commercialization Program being transferred to the Financial Programs Branch. Continuation of orderly wind-down of the Strategic Research Support Program. Continued efforts by Manitoba Aerospace Technology Program to increase participation by local firms in the Canadian Space Program and to work with Manitoba industry to identify and secure new opportunities and to promote Manitoba's aerospace capabilities. Successful efforts to develop and advance a cooperative Western Canadian Space Initiative and to explore the feasibility of the reactivation of the Churchill Research Range. Undertook analysis and provision of recommendations leading to the establishment of the Manitoba Centres of Excellence Fund in September 1988.
- Continued monitoring of, and advising on, industrial research and development in Manitoba and offering recommendations on strategies, policies and actions to address Manitoba's situation. Recommendations for an "innovation strategy" and initiatives to advance the innovative capabilities of Manitobans. Plans and tactics for environment-related industrial development for Manitoba that complements and builds upon the emerging focus on Winnipeg as the International Centre for Sustainable Development. Identification of emerging science and technology areas for exploitation (eg. in the environment industries area related to sustainable development). Development of an aerospace/defence industrial development strategy were developed.

Information Technology Industry Development Branch

Objective

The objective of the Information Technology Industry Development Branch is to promote and develop the information technology industry.

Activities

Strategy, Planning and Policy Development. Monitors industry trends necessary to promote informatics as a key sector for economic development in Manitoba, and formulates strategies, policies and programs to develop the informatics industry.

External Liaison. Establishes contacts, interaction and cooperation with public and private sector organizations, acting as a catalyst to stimulate activity and investment initiatives.

Investment Development and Promotion. Supports the growth of the informatics industry through the provision of business and market development initiatives with industry associations and individual companies.

Industry Support Programs. Provides advice and guidance to informatics companies to access federal, provincial and private sector support programs. Identifies opportunities for federal-provincial cooperation in developing appropriate support programs for the informatics industry.

InfoTech Resource Centre. Provides a focal point for programs that can provide access to information about informatics technologies. Provides the facilities to support the operation of the Educational Technology Program, delivered through Manitoba Education.

Results

Strategy, Planning and Policy Development. Several proposals were completed to formulate the development of a provincial strategy with direct involvement by the private sector, postponed until the next fiscal year. The branch responded to several requests for opinions issued by federal departments regarding directions to stimulate the informatics sector.

Formulated a proposal to establish a Strategic Procurement Policy program to promote investments from government expenditures.

External Liaison. Primary contacts were maintained with the federal departments of Communictaions, Industry, Science and Technology, and the National Research Council to coordinate national programs with provincial efforts, including the Canadian Advanced Technology Association and the Information Technology Association of Canada.

The branch participated on the boards of the Electronics Industry Association, Canadian Information Processing Society, Miconex, and Manitoba Software Association to promote the information technology industry and the marketing, product development and business alliances.

Investment Opportunities Development. Provided the leadership role for the development of the LINNET proposal with participation by the Province and the Department of Western Economic Diversification, to conduct phase two of what may become a $30 million investment leading to the creation of over 200 jobs. The LINNET initiative led to the establishment of IBM's Geographic Systems Support Centre with an investment of $2 million and the creation of 5 jobs.

Identified and developed a strategic investment agreement with Wang Canada Limited to create Wang's Centre for Imaging Technology resulting in over $20 million investment and the creation of over 70 high value jobs.

Industry Development and Promotion. Provided business development counselling, directly to twelve and indirectly to over fifty firms in areas of preparation of business development plans and marketing.

Organized informational seminars on copyright protection, research tax credits, software development. Negotiated an agreement with the Electronics Industry Association to include the Manitoba Software industry as part of their directory.

Promoted with support of External Affairs the organization of a trade mission to California, which evolved into a national project. Organized the participation of software firms in a trade mission to Minnesota through the New Exporters to Border States Program.

Industry Support Programs. Established a liaison with the Department of Western Economic Diversification to provide industry and market intelligence for evaluating industry proposals.

As provincial representatives to the ERDA Technology Applications initiative, participated in the promotion and review of proposals and studies by six companies in securing federal grants amounting to $2,000 which led to the creation of about 15 high technology jobs.

Maintained leading participation in the IST's National Software Industry Liaison Committee to provide input and direction in the development and implementation of national software industry development programs. Manitoba played a lead role in the development of a national focus for the software industry and the organization of the National Software Conference to be held in the Spring, 1990.

InfoTech Resource Centre. Negotiated the retention of the InfoTech Centre to continue its role of incubator for the development of projects and the promotion of use of computers throughout the school system.

Tourism Marketing Branch

Objective

The objective of the Tourism Marketing Branch is to increase tourism expenditures within Manitoba and to increase out-of-province visitor entries and expenditures at a rate that maintains or increases Manitoba's current share of domestic and foreign travel markets.

Activities

The 1988/89 marketing plan developed jointly with the Tourism Industry Association of Manitoba focused on increased cooperative programs with industry, with greater emphasis on strengthened research, improved customer services and enhanced in-province promotional programs.

Advertising: The 1988 advertising campaign placed strong emphasis on Manitoba's attractions and recreational opportunities to foster an image of the province as a desirable vacation destination for out-of-province visitors to Manitobans.

Marketing & Promotions: The Marketing and Promotions Program co-ordinates Manitoba's presence in provincial, national and international marketplaces as well as special events and promotions with the potential to encourage visitors to travel to and within Manitoba.

Publications & Support Media: The Marketing Support Services Program is responsible for the production of tourist information and promotional publications as well as all related marketing materials which directly support the advertising campaign.

Information Services: The Information Services Program is responsible for the operation of provincial travel information centres and the administration of all tourism enquiries.

Results

Advertising. Advertising featured the use of a spokesman, Bud Grant, the former coach of the Winnipeg Blue Bombers and Minnesota Vikings. The response-oriented campaign targeted at Minnesota, Northwestern Ontario, Saskatchewan and Manitoba resulted in increased enquiries and conversions for travel to and within the province.

Co-operative campaigns for angling and meetings and conventions, which included newspaper inserts, print advertising and radio, were also conducted in Manitoba, North Dakota, Saskatchewan and Northwestern Ontario.

A specialty advertising program directed at the angling, outdoor adventure, naturalist self-education, convention and motorcoach travel segments was delivered in key North America publications.

Marketing & Promotions. In 1988, the Branch participated in 11 sport shows, 14 group travel marketplaces, 10 consumer mall promotions and 7 convention and meeting venues in co-operation with members of the tourism industry.

Five major familiarization tours for tour operators and convention and meeting planners were co-ordinated in conjunction with industry.

In 1988, through the combined efforts of the department and industry suppliers 234 conventions were held in Manitoba generating an estimated $46,639,978 in tourism revenue.

The hosting of 45 travel writers resulted in over $2 million in media coverage for Manitoba in international publications.

Publications. In 1988, the publication program was revised as follows:

- The Manitoba Vacation Planner was expanded to give greater regional coverage and to also include a French language information component (200,000 produced).
- The Manitoba Fishing Adventure and Master Angler Award books were combined to provide trophy and recreational sports anglers with a comprehensive picture of Manitoba's angling attractions and most productive fishing waters. This publication also included information in French (150,000 produced).
- The Accommodations and Travel Services Guide linked with the Lodges and Outfitters Guide giving Manitobans and visitors alike a fully integrated detailed information package on Manitoba's tourism facilities. In addition this revised publication also included a French language information component (150,000 produced).
- The Spectacular Parks Guide was updated and issued in conjunction with the Outdoor Adventure Guide (185,000 produced).
- The Events Guide included information in English and French (85,000 produced).

A key aspect of the 1988 publications was a more direct linkage of cover designs for all Travel Manitoba publications with the entire 1988 advertising program. This ensured greater marketplace visibility and ease of recognition for consumers in all designated markets.

In addition, the marketing support services program produced pins and promotional material and updated displays and audio visual presentations. Ongoing stock stories, feature articles and press releases were distributed to a mailing list of approximately 1,700 international publications.

Information Services. In 1988, the branch responded to over 63,000 written enquiries and 40,341 telephone enquiries. The Electronic Laser Video Information System (E.L.V.I.S.) was enhanced and utilized at five major information centres and at marketplaces in the United States. The Electronically Automated Reservation System generated 2,100 direct bookings for Manitoba suppliers.

One permanent and five temporary travel information centres provided counselling services to 80,542 enquiries. A mobile information caravan attended 16 fairs and festivals, generating 5,183 registrations.

Tourism Development Branch

Objective

The objective of the Tourism Development Branch is *to provide consulting services and programs that will* stimulate and facilitate the orderly development, expansion and modernization of viable tourism attractions and service facilities in Manitoba.

Activities

The Branch:

- Provides specialized consulting services to tourism industry developers including economic feasibility assessment, project planning, market assessment, land assembly, project financing and advice on legal and regulatory matters to existing and to potential tourism attractions and service facilities.
- Directs the implementation and administration of the Canada/Manitoba Tourism Development Agreement.
- Provides assistance in "packaging" tourism developments for financing, including liaison with financial institutions and various funding agencies.
- Identifies and promoted tourism investment opportunities, particularly in the priority sectors (resorts/attractions/specialty lodges) and in established destination areas.
- Co-ordinates specialized conferences to facilitate the orderly development, expansion and modernization of viable tourism facilities and attractions in Manitoba.
- Provides assistance to Manitoba Hospitality Council in co-ordination and implementation of training and hospitality enhancement program.
- Provides input into tourism policy development both within the Department and to those departments which affect tourism development (e.g. Natural Resources; Culture, Heritage and Recreation; and Highways).
- Provides funds required to service debt charges relating to Capital Incentive Programs under the Canada/Manitoba Tourism Agreement - Destination Manitoba.

Results

The Tourism Development Branch provided specialized tourism planning, feasibility, marketing and development services to approximately 500 tourism operators and developers in the priority sectors of urban and rural attractions, rural multi-faceted resorts, specialty lodges and tourism events. Estimated capital costs of these projects totalled over $110 million, with a potential impact of 1000 new jobs and $238,000,000 in increased annual tourism revenues.

In addition, Tourism Development staff worked closely with staff in the Department of Natural Resources to promote new investment opportunities including Goldsand Lake, Grand Beach and Hecla Island.

A Tourism Planning Guide was also developed to assist communities in the development of local tourism action plans.

Quality Assurance

Objective

The objective of the Quality Assurance Program is to provide licensing and qualitative indications of transient accommodation facilities and services throughout Manitoba, for the benefit of the travelling public and the travel trade.

Activities

- Conducts inspections of transient accommodation facilities and services licensed under the Tourism and Recreation Act, and of establishments licensed by the Manitoba Liquor Control Commission that request star rating service.
- Investigates both consumer and industry complaints relevant to the tourism industry, via on-site inspections.
- Encourages the modernization, upgrading and maintenance of transient accommodation facilities and services, and the design to high standards of new facilities.

Results

The program completed the inspection of approximately 550 transient accommodation facilities and services.

It effected licensing, inspection and star rating of accommodation and services provided, giving the industry a marketing tool.

Accurate, up to date and credible information was provided for Travel Manitoba publications.

Corporate and Community Relations Branch

Objective

The objective of the Branch is to provide complete communication and public information support services to all divisions of Manitoba Industry, Trade and Tourism including the Canada-Manitoba Tourism Development Agreement.

Activities

The Branch prepares communication strategies for each division based upon individual marketing and promotional strategies.

Communication plans are implemented through the use of:

- Printed Literature (brochures, pamphlets and reports)
- Advertising
- Direct Mail
- Trade Shows/Mall Displays (exhibits)
- Public Relations (news releases, speeches)
- Audio-Visual Presentations
- Special Event/Promotion Coordination (plant openings, conferences, seminars).

Results

The Branch:

- Implemented complete 1989 Tourism Marketing Campaign including national, international and specialty advertising, dynamic new in-province direct marketing initiative (with Blackwoods Beverages), joint Travel Manitoba-McDonald's U.S. sales promotion, direct mail and special public relations promotions.
- Republished all 1989 Travel Manitoba promotional literature including Vacation Planners, Accommodations and Travel Services Guide, Spectacular Parks and Outdoor Adventures, Welcome to Manitoba brochure series, 1989 Marketing Plan, Master Angler/Fishing Adventure and Events Guide (new Convention and Facilities Guide proposed release December, 1989).
- Revised and published departmental "Flagship" investment promotion brochure "The Manitoba Advantage".
- Updated and re-edited accompanying investment promotion film "The Manitoba Advantage".
- Developed in conjunction with the Health Industries Development Initiative, a new package of promotional material, including: Health Industry Advantage Flagship Brochure, Location Directory and Catalogue.
- Re-published "Starting a Small Business in Manitoba" brochure (also published in French).
- Produced the following new publications:
  - "Of Interest to Women" - Summary of business assistance, employment and training programs.
  - "Bootstrap II" - Stories of Rural Manitoba Entrepreneurs.
  - "Statistical Supplement" to "The Manitoba Advantage" brochure.
- Directories:
  - Sourcing Directory
  - Transportation Equipment Directory
  - Community Tourism Action Plan
  - Guide to Strategic Planning Under Free Trade
  - Manitoba Software Catalogue of Capabilities
- Initiated development of Canada-Manitoba Tourism Development Agreement support material including Grand Beach Developer's brochure, Customer Awareness Program material, Report on Activities and Site Signage Initiative.
- Provided advertising material and placement in support of Business Resource Centre, Trade Branch show activity, Industry Promotion and Canada-Manitoba Tourism Agreement.
- Produced Export Awards promotional material and advertisement.
- Provided ongoing public relations support, news releases, speeches and collateral material for all departmental activities.
- Provided display hardware coordination and graphics in support of 15 separate Trade Shows and Exhibitions.
- Co-ordinated all public relations and logistics for "Hands Across the Border" event.

Summary of 1988/1989 output:

- 46 News Releases
- 18 Advertisements
- 51 Speeches/Speaking Notes
- 3 Audio/Visual Presentations
- 25 Information Brochures
- 17 Trade Show Exhibits
- 11 Asstorted Collateral Items
- 8 Special Promotions
- 21 Presentation/Annual Reports
- 6 Co-operative Initiatives

Canada-Manitoba Tourism Development Agreement 1985-90

Objectives

The Canada-Manitoba Subsidiary Agreement on Tourism Development has the following objectives:

- To stimulate the development of internationally-recognized tourism destinations in Manitoba through the development of tourism attractions, events and resort facilities.
- To reduce Manitoba's tourism deficit through the stimulation of:
  - increased numbers of visitors from international and inter-provincial markets.
  - increased opportunities for Manitobans to vacation within Manitoba.
  - increased length of stay by non-resident visitors to Manitoba.
- To stimulate increased private sector investment in tourism.
- To improve the productivity of selected sectors of the tourism industry.

Activities

The Canada-Manitoba Subsidiary Agreement for Tourism Development committed $30 million over a five year period to the development of Manitoba's industry and is cost-shared equally by Industry, Science and Technology Canada and the Provincial Department of Industry, Trade and Tourism.

Under the Agreement, the development of tourism is encouraged through incentives, financial assistance and program support in seven complementary areas. Four destination areas have been designated as primary foci for clustered development and marketing support: Eastern Precambrian region; Lake Winnipeg Beaches/Hecla region; Winnipeg; and Riding Mountain/Duck Mountain region. Also recognized are four specialty products for marketing and development initiatives: sports angling; wilderness adventure; naturalist self-education; and convention, meeting and incentives travel. The activities of the seven programs were as follows.

Program 1: Marketing Expansion
A total of $5 million has been allocated to this program which is designed to expand the interprovincial and international markets for travel to Manitoba.

Program 2: Tourism Resorts, Attractions and Facilities
The $8 million allocated under this program provides for the development or expansion of major private sector resorts, attractions and related facilities.

Program 3: Winnipeg Attractions
This $9 million program provides for the development of new, or expansion of existing major attractions in the City of Winnipeg.

Program 4: Rural Attractions
During 1988/89 $680,000 was approved for a $1 million expansion project of a cultural attraction in one of the Province's provincial parks.

Program 5: Tourism Events
This program provides support for the organization, development, and marketing of major new, recurring tourism events in Manitoba as well as supporting expansion of existing major recurring events.

Program 6: Industry Productivity Enhancement
The $500,000 allocated under this Program is to be directed towards the enhancement of the productivity of Manitoba's tourism industry.

Program 7: Administration, Public Information, Evaluation and Strategic Research
The $1 million program provides the general administrative and public information services to the Agreement, as well as program evaluation activities and strategic planning proposals.

Results

Program 1: Marketing Expansion
In 1988/89 a total of $482,265 in assistance was approved for 25 projects. Total approvals from inception of the program to March 31, 1989 is $2,855,850 for 82 projects.

Program 2: Tourism Resorts, Attractions and Facilities
In 1988/89 five projects were approved for total assistance of $2 million and involved private sector investment of approximately $10 million, including a major resort development in Gimli.

Program 3: Winnipeg Attractions
During 1988/89 three projects received a total of $1,785,000 in assistance, including funds for the development of an aquarium at the Fort Whyte Nature Centre. To date seven projects have received a total of $4 million in assistance under this program.

Program 4: Rural Attractions
During 1988/89 $680,000 was approved for a $1 million expansion project of a cultural attraction in one of the Province's provincial parks. To date five projects, with total assistance of $1,500,000 have been approved.

Program 5: Tourism Events
Two projects, totalling $215,000 in assistance, were approved during 1988/89. To date, program approvals total $1,600,000 for 10 projects.

Program 6: Industry Productivity Enhancement
A total of $81,127 was approved during 1988/89 for three projects. To date, eight projects have been approved under the program, with total assistance of $287,707.

Program 7: Administration, Public Information, Evaluation and Strategic Research
Four projects were approved during 1988/89 including funding to the Manitoba Hotel Association for a review of how to improve the viability of the industry, and assistance for a design/feasibility study respective capital development in Gimli.

Associated Agencies

The Manitoba Design Institute

The Manitoba Design Institute was established by an Act of the Legislature Assembly in 1963. The Institute had no operating budget or staff in 1988-89.

The Manitoba Horse Racing Commission

The Manitoba Horse Racing Commission supports the development of a competitive horse racing and breeding industry in Manitoba, and regulates the operation of race tracks and the conduct of races.

The Commission, as an associated agency, tables its annual report under separate cover with the Manitoba Legislature.

The Manitoba Research Council

Working closely with industry, government and universities, the Manitoba Research Council (MRC) plays a lead role in encouraging and facilitating scientific research and technological development. The MRC also advises the government on developments in new technologies as they relate to the social and economic prospects of the province.

As an associated agency, the MRC tables its annual report under separate cover with the Manitoba Legislature.

The Manitoba Trading Corporation

The Manitoba Trading Corporation was established in 1974 by Legislation as a successor to The Manitoba Export Corporation, which had been established in 1963. The Corporation was provided with $500,000 in working capital when needed to carry out export business transactions and finance exports on a short-term basis. The Corporation is administered by the Trade Branch of the Department of Industry, Trade and Tourism and reports to a Board of Directors. The Corporation had no operating budget or permanent staff in 1988/89.

Activities

The Corporation remained dormant in accordance with the previously established government policy that the Corporation would not be directly involved in any export transactions such as buying and selling of goods, unless otherwise required by special circumstances and approved by the Minister responsible for the Corporation. Manitoba industry is supported by an active Trade Branch export development program (see Trade Branch report). The Corporation's Act has been maintained and the Board of Directors held four meetings.

The Corporation's trust account was re-activated in fiscal year 1987-88 to facilitate financial matters for an overseas trade fair sponsored by Trade Branch. The activity was finalized in fiscal year 1988-89 with the collection of accounts receivable (that is, special refund of taxes on costs incurred in West Germany). It is anticipated to use the trust account again in fiscal year 1989-90 for the same purpose to reduce costs to the Department of a Manitoba group display at Agritechnica '89 in Frankfurt, West Germany.

Manitoba

The Manitoba Trading Corporation

Report of the Provincial Auditor's Office

We have examined the financial statements, being Exhibits A and B, of The Manitoba Trading Corporation for the fiscal year ended March 31, 1989. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1989 and the results of its operations for the year then ended in accordance with the accounting policy stated in note 2 to the financial statements applied on a basis consistent with that of the preceding year.

September 12, 1989,
Winnipeg, Manitoba

F.H. Jackson, CA,
Provincial Auditor.

Exhibit A

The Manitoba Trading Corporation

Balance Sheet

as at March 31, 1989
(with 1988 figures for comparison)

	1989	1988
ASSETS		
Cash on deposit with Minister of Finance	$505,615	$503,910
Accounts receivable — Trade	—	1,705
	$505,615	$505,615
LIABILITIES		
Non-interest bearing advances from the Government of the Province of Manitoba for working capital	$500,000	$500,000
Funds available for future operations:		
Balance at beginning of year	5,615	5,365
Revenue over expenditure, Exhibit B	—	250
Balance at end of year	5,615	5,615
	$505,615	$505,615

Exhibit B

The Manitoba Trading Corporation

Statement of Revenue and Expenditure

for the year ended March 31, 1989
(with 1988 figures for comparison)

	1989	1988
Revenue:		
Participation Fees re Agritechnica '87	$ —	$ 7,700
Expense Recoveries re Agritechnica '87 from Industry, Trade & Tourism	—	3,124
VAT Refund from the Federal Republic of Germany	—	1,705
	$ —	$ 12,529
Expenditure:		
Display Rental and Expenses in Germany re Agritechnica '87	—	12,279
Revenue over expenditure, Exhibit A	$ —	$ 250

The Manitoba Trading Corporation

Notes to Financial Statements

as at March 31, 1989

1. **Status and Nature of the Corporation**
   The Manitoba Trading Corporation was formed by an Act of Legislation in 1974. The mandates of the Corporation are to encourage, develop and increase Manitoba exports and trade; and to provide short-term financing to Manitoba Corporations engaging in export transactions.

2. **Significant Accounting Policies**
   The following is a summary of the significant accounting policies of the Corporation:

   a) The accrual basis of accounting is used in the preparation of these financial statements, except for interest on accounts receivable which is recorded on a cash basis.

   b) Administrative expenditures are funded from an appropriation of the Department of Industry, Trade and Tourism. The value of these has not been estimated and is not reflected in the financial statements.

Financial Information

Industry, Trade and Tourism

Summary of Incentive Grants Paid

1988-1989 Fiscal Year

1. Feasibility Projects	$ 124,366.62
2. Manitoba Industrial Opportunities Program	200,000.00
3. Technology Commercialization Program	585,842.45
4. Manufacturing Adaptation Program	28,399.64
5. Canada-Manitoba Urban Bus Agreement	104,847.00
6. Technology Transfer	84,244.00
7. Canada-Manitoba Health Industry Development Initiatives	281,172.81
8. Trade Incentive Grants	432,180.66
9. Regional and Community Development Corporations	660,343.00
10. Industry Incentive Grants	100,797.00
11. Manitoba Research Council	2,862,400.00
12. Travel Manitoba (Grants)	229,396.00
13. Bursary	300.00
14. Small Business (Special Projects)	30,000.00
15. Manitoba Horse Racing Commission	5,083,515.30
16. Canada-Manitoba Tourism Agreement 1985-1990	1,255,077.47
17. Canada-Manitoba Tourism Agreement 1985-1990 Capital	1,147,800.00
	$13,210,681.95

Industry, Trade and Tourism

Grants Paid

1988-89 Fiscal Year

1. Feasibility Projects

Agri Tec Canada Inc.	$ 30,516.79
Ancast Industries Ltd.	7,000.00
Atlas Graham Industries Co. Ltd.	1,500.00
Border Chemical Co. Ltd.	3,134.65
Dupont Canada Inc.	23,300.00
Fingard Food Processors	4,180.00
Manitoba Fashion Institute Inc.	10,318.00
Mid Canada Equipment Sales Ltd.	5,400.00
Myriad Innovative Designs Inc.	3,800.00
Omniglass Ltd.	3,600.00
Russelsteel Inc.	11,636.51
Schmidtke Millwork Ltd.	10,000.00
Selkirk Silica	3,680.67
Vansco Electronics Ltd.	4,000.00
West End Upholstery Ltd.	2,300.00
	$ 124,366.62

2. Manitoba Industrial Opportunities Program

Linnet Graphics International Inc.	$ 200,000.00

3. Technology Commercialization Program

Advanced Applications Inc.	$ 25,078.65
Ambutech Inc.	6,907.95
Barrier Free Access Systems Inc.	25,000.00
Bioquest International Inc.	370.00
Bonar Plastics Ltd.	24,575.00
Can-Pay Computer Software Ltd.	6,000.00
Carshaw Inc.	149,141.24
Designed Genetics Inc.	18,850.81
EXI Electronics Manufacturing	6,487.50
Fab Tech Industries Ltd.	3,000.00
Hartfell Holdings Ltd.	5,000.00
Integrated Engineering Software Inc.	94,837.60
Midland Manufacturing Ltd.	10,000.00
Natura Brand Health Foods	11,194.54
Norscan Instruments Ltd.	4,695.00
Quadtech Enterprises Inc.	15,000.00
Quantic Laboratories Inc.	50,000.00
Robbco Ltd.	1,862.83
Sun Valley Software Inc.	11,787.50
Total Software Inc.	25,389.09
Technical Products International Ltd.	51,524.75
Turner Beverage Systems Inc.	10,281.66
Vidir Machine Ltd.	12,640.12
Voisys Inc.	16,218.21
	$ 585,842.45

Industry, Trade and Tourism

Grants Paid

1988-89 Fiscal Year

4. Manufacturing Adaptation Program	
Airmaster Sales Ltd.	$ 596.64
Blister-Pak Manufacturing Inc.	2,000.00
Creative Kitchen Centre Ltd.	2,400.00
Gene Barbee and Associates Ltd.	4,875.00
Hunter Wire Products Ltd.	3,000.00
J.R. Stephenson (Mfg.) Ltd.	1,000.00
Old West Jerky and Hardie & Co.	1,500.00
Septics Unlimited Inc.	4,928.00
Westman Plastics Ltd.	3,300.00
Yoram Ltd.	4,800.00
	$ 28,399.64
5. Canada-Manitoba Urban Bus Agreement	
Cryodynamics Inc.	$ 67,517.00
Otto Bock of Canada Ltd.	37,330.00
	$ 104,847.00
6. Technology Transfer	
Canadian Anglo Machine & Iron Works Inc.	$ 84,244.00
7. Canada-Manitoba Health Industry Development Initiatives	
ABI Biotechnology Inc.	$ 31,172.81
Canadian Aging & Rehabilitation Product Development Corporation	250,000.00
	$ 281,172.81
8. Trade Incentive Grants	
4-12 Electronics	$ 4,000.00
Acme Design (1987) Ltd.	1,397.05
AG Tech International	1,311.00
Airmaster Sales Ltd.	840.46
APR Industries Ltd.	1,554.90
Asham Curling Supplies Ltd.	166.63
Association of Manitoba Book Publishers	241.61
Beemaid Honey Ltd.	225.00
Bonar Plastics Ltd.	944.18
Canadian Dionic Ltd.	802.02
Cantech Scientific Ltd.	1,263.30
Capcad Inc.	3,840.50
Central Canadian Structures Ltd.	506.51
Chase/Durus Canada Inc.	3,932.03
Chemcrest Corporation Ltd.	3,202.66
Crystal Springs Colony Farms Ltd.	1,368.05
Desert Rose Productions	1,544.78
Discover Canada Merchandisers Ltd.	3,710.41
Edberg Inc.	2,000.00
E-Z Cut Inc.	953.45
Fashion Lady Inc.	853.92
Feed-Rite Ltd.	626.14

Grants Paid

1988-89 Fiscal Year

Finn Woodworks Ltd.	2,000.00
Forever Industries (1971) Ltd.	557.51
Fort Garry Industries Ltd.	3,887.82
Gene Barbee and Associates Ltd.	1,491.14
Gray's PVC Pipes and Cushions Ltd.	2,000.00
Great West Van Conversions Inc.	1,769.70
Guertin Bros. Coatings and Sealants Ltd.	1,121.74
Hamiota Ventures Inc.	172.23
H.I.R. International Ltd.	2,000.00
Hoot Tubs Inc.	410.00
ID Fashion Ltd.	1,349.00
Independent Chassis	555.83
Jean McIntosh Ltd.	806.33
Jodale Perry Corp.	834.30
L & M Radiator Ltd.	3,112.50
Les Editions du Blé	954.99
Maclean Farm Supply	207.28
Manitoba Hydro (Ecolaire Canada Ltd.)	342,159.79
Manlab Instrumentation Ltd.	586.30
Marvin Windows Ltd.	378.39
Maxim Computers System	569.32
Miami Fashions (1979) Ltd.	1,479.71
Moviebar Co. of Canada Ltd.	1,326.81
Natco Manufacturers & Distributors Ltd.	418.00
Natural Dolls	675.00
Norbert's Manufacturing	711.70
Norscan Associates Ltd.	331.92
Northern Paint Canada Inc.	3,395.70
Phason Electronics Ltd.	1,016.38
Pinmatic Inc.	561.10
Produits Noel Gauzy Ltd.	2,000.00
Screen Print Display Advertising Western Ltd.	536.65
Simon-Day Ltd.	468.38
Solv-X Inventions Ltd.	2,721.33
Springfield Manufacturing	816.26
Sterling Glove Company Ltd.	1,656.86
Sun Valley Software Inc.	1,939.23
Super Trail Manufacturing	349.23
Tartan Farms	1,555.00
Tops Manufacturers Ltd.	1,069.05
Trace Design Co. Ltd.	1,913.17
Turner Beverage Systems Inc.	548.56
Virginia's Soap Ltd.	585.98
Western Glove Works Ltd.	872.00
Westnofa of Canada Ltd.	911.15
Winn-O-Bar Enterprises	764.85
Woody Sports Apparel Inc.	1,092.84
X-Trol Corp. Ltd.	255.03
	$ 432,180.66

9. Regional and Community Development Corporation

Association of Regional Development Corporation	$ 59,154.28
Central Plains Inc.	119,908.72

Industry, Trade and Tourism

Grants Paid

1988-89 Fiscal Year

East-Man Regional Development Inc.	81,588.00
Interlake Development Corp. Inc.	88,348.00
Norman Regional Development Inc.	102,111.00
Parkland Regional Development Inc.	100,874.00
Pinawa Economic Development Advisory Board	18,000.00
Pembina Valley Development Corp.	90,359.00
	$ 660,343.00
10. Industry Incentive Grants	
Manitoba Schools Science Symposium	$ 1,200.00
Manitoba Software Assoc.	2,000.00
Northern Manitoba Regional Science Fair	1,200.00
University of Manitoba	95,197.00
Western Manitoba Science Fair	1,200.00
	$ 100,797.00
11. Manitoba Research Council	$2,862,400.00
12. Travel Manitoba (Grants)	
(Tourism Industry Association of Manitoba)	
- Brandon Convention & Visitors Bureau	$ 15,600.00
- Central Office (Winnipeg)	60,600.00
- Central Plains Region (Portage la Prairie)	12,428.00
- Eastern Region (Lac du Bonnet)	12,428.00
- Interlake Region (Arnes)	12,428.00
- North of 53° Region (Lynn Lake)	12,428.00
- Parkland Region (Dauphin)	12,428.00
- Pembina Valley Region (Morden)	12,428.00
- Winnipeg Convention & Visitors Bureau	66,200.00
- Western Region (Minnedosa)	12,428.00
	$ 229,396.00
13. Bursary	
Business Administration Award — Marketing Major (Assiniboine Community College)	$ 300.00
14. Small Business (Special Projects)	
Manitoba Marketing Network Inc.	$ 30,000.00
15. Manitoba Horse Racing Commission	$5,083,515.30
16. Canada-Manitoba Tourism Agreement 1985-1990	
Association of Chefs de Cuisine	$ 20,000.00
Bonanza Holidays	6,000.00
Canada North Outfitting Inc.	3,981.50
Churchill Group	6,000.00
Fanfare Communications	8,735.00
Festival du Voyageur Inc.	76,900.00
Folk Arts Council of Winnipeg Inc.	301,127.00
Frontiers North Inc.	1,250.00
Heartland Canada Discovery Tourism	5,447.50
Lower Fort Garry Volunteer Association Inc.	29,500.00

Industry, Trade and Tourism

Grants Paid

1988-89 Fiscal Year

Manitoba Hotel Association Inc.	45,000.00
Manitoba Lodges and Outfitters Association	31,948.92
Manitoba Restaurant & Foodservices Association	64,000.00
Manitoba Society of Occupational Therapists	514.47
Manitoba Theatre Centre	80,000.00
Mid Canada International	12,050.00
Northeast Interlake Business Development Corp.	35,000.00
Outbound Travel and Tourism Inc.	23,904.00
Paddlewheel Riverboats Ltd.	15,000.00
Riding Mountain Nature Tours	7,400.00
Tourism Industry Association of Manitoba	
- Central Plains Region	16,172.10
- Eastern Region	17,571.42
- Interlake Region	16,030.72
- North of 53° Region	17,571.42
- Parkland Region	17,571.42
- Pembina Valley Region	17,571.42
- Western Region	15,697.42
- Central Office - Winnipeg	6,674.20
Tourism Promotions Committee	24,721.00
Tourism Winnipeg Inc.	57,924.00
Trapper Don's Lodge	4,137.25
Ukrainian Folk Arts Council and Museum Inc.	65,000.00
Valley Agricultural Society	40,000.00
Wayfarer Holidays Ltd.	15,000.00
Winnipeg Folk Festival Inc.	100,000.00
Winnipeg International Street Performers	43,826.71
Winnipeg Minor Soccer Association Inc.	5,850.00
	$1,255,077.47

17. Canada-Manitoba Tourism Agreement 1985-1990 (Capital)

City of Winnipeg - Children's Zoo	$ 100,000.00
Eagle Nest Lodge	75,000.00
Elkhorn Ranch & Resort Ltd.	87,500.00
Mennonite Heritage Village Canada (Inc.)	525,000.00
Sea North Tours Ltd.	82,500.00
Wildlife Foundation of Manitoba (Fort Whyte Centre)	195,000.00
Winnipeg Chinatown Development (1981) Corp.	82,800.00
	$1,147,800.00

Industry, Trade and Tourism

Revenue Summary by Source ($000)

For the year ended March 31, 1989
with comparative figures for March 31, 1988

Actual 1987/88	Actual 1988/89	Increase (Decrease)	Revenue Source	Actual 1988/89	Estimated 1988/89	Variance	Explanation #
			Current Operating Programs:				
			Other Revenue:				
32.3	12.9	(19.4)	(a) Emergency Interest Rate Relief	12.9	20.0	(7.1)	
72.1	27.8	(44.3)	(b) Fees	27.8	50.0	(22.2)	
17.6	19.5	1.9	(c) Travel Manitoba	19.5	15.5	4.0	
252.2	218.4	(33.8)	(d) Sundry	218.4	240.7	(22.3)	
374.2	278.6	(95.6)	Total	278.6	326.2	(47.6)	
			Government of Canada:				
955.4	892.4	(63.0)	(a) Tourism Agreement 1985-1990	892.4	1,556.6	(664.2)	1
36.9	(57.8)	(94.7)	(b) Tourism Agreement - Destination Manitoba	(57.8)	0	(57.8)	2
121.9	20.7	(101.2)	(c) Economic Development - Planning Agreement	20.7	0	20.7	3
1,114.2	855.3	(258.9)	Total	855.3	1,556.6	(701.3)	
			Revenue Related to Capital:				
			Government of Canada:				
1,031.0	656.9	(374.1)	(a) Tourism Agreement 1985-1990	656.9	1,558.4	(901.5)	4
225.0	(23.9)	(248.9)	(b) Tourism Agreement - Destination Manitoba	(23.9)	0	(23.9)	5
1,256.0	633.0	(623.0)	Total	633.0	1,558.4	(925.4)	
2,744.4	1,766.9	(977.5)	**Total Revenue**	1,766.9	3,441.2	(1,674.3)	

Industry, Trade and Tourism

Revenue Summary Explanations

Explanation Number	$	Explanation
1	(664.2)	Variance Revenue projections were based on a 1988/89 Work Plan of $3,106.2, whereas the actual level of expenditures was $1,494.3.
2	(94.7)	Decrease Adjustment made by the Government of Canada for the Destination Manitoba Agreement finalized in the fiscal year 1987/88.
3	(101.2)	Decrease In 1988/89 this Agreement only participated in one study.
	20.7	Variance Recoveries made on expenditures of $41.5, were not projected in the 1988/89 Printed Estimates
4	(901.5)	Variance Revenue projections were based on a 1988/89 Work Plan of $3,116.6, whereas the actual level of expenditures was $1,318.8.
	(374.1)	Decrease Reduced expenditures in 1988/89 due to delays in implementing capital projects.
5	(248.9)	Decrease No expenditures made in 1988/89 as Agreement finalized in 1987/88. The decrease reflects the final adjustment made by Government of Canada.

Industry, Trade and Tourism

Expenditure Summary

For fiscal year ended March 31, 1989
with comparative figures for the previous fiscal year

Authorized 1988/89 ($000)	Appropriation	Actual 1988/89 ($000)	Actual 1987/88 ($000)	Increase (Decrease) ($000)	Explanation #
	10-1 Administration and Finance				
20.6	(a) Minister's Salary	23.1	30.7	(7.6)	1
	(b) Executive Support:				
226.8	Salaries	265.0	369.2	(104.2)	2
76.4	Other	116.0	169.7	(53.7)	3
	(c) Strategic Planning:				
547.9	Salaries	502.4	834.0	(331.6)	4
281.0	Other	224.2	403.5	(179.3)	5
	(d) Finance and Administration:				
557.8	Salaries	573.6	545.7	27.9	
304.3	Other	250.9	287.0	(36.1)	
2,014.8		1,955.2	2,639.8	(684.6)	
	10-2 Industry and Trade Division				
	(a) Industry and Trade Administration:				
166.8	Salaries	166.9	155.5	11.4	
8.0	Other	7.8	5.8	2.0	
	(b) Industry:				
	(1) Sectoral Development				
910.2	Salaries	909.2	1,211.2	(302.0)	6
319.3	Other	299.5	320.6	(21.1)	
	(2) Investment Promotion				
307.0	Salaries	301.4	282.0	19.4	
300.0	Other	296.1	203.8	92.3	7
	(c) Financial Programs:				
487.8	Salaries	548.2	709.2	(161.0)	8
40.0	Other	38.1	0	38.1	
	Programs:				
3,400.0	(a) Manitoba Industrial Opportunities	3,277.9	2,779.1	498.8	9
466.7	(b) Technology Commercialization	587.8	890.3	(302.5)	10

Industry, Trade and Tourism

Expenditure Summary

For fiscal year ended March 31, 1989
with comparative figures for the previous fiscal year

Authorized 1988/89 ($000)	Appropriation	Actual 1988/89 ($000)	Actual 1987/88 ($000)	Increase (Decrease) ($000)	Explanation #
315.0	(c) Manufacturing Adaptation	131.6	94.6	37.0	
1,018.9	(d) Venture Capital	895.6	1,688.3	(792.7)	11
1,040.0	(e) Canada-Manitoba Urban Bus Agreement	104.9	0	104.9	12
100.0	(f) Small Business Growth Fund	255.3	11.0	244.3	13
85.0	(g) Technology Transfer	84.8	0	84.8	14
	(d) Health Industry Development Initiative:				
268.1	Salaries	267.5	250.8	16.7	
483.8	Other	539.8	77.6	462.2	15
	(e) Trade:				
589.7	Salaries	555.8	573.7	(17.9)	
1,079.3	Other	891.8	637.6	254.2	16
	(f) Rural Economic Development:				
458.4	Salaries	466.1	456.7	9.4	
166.0	Other	165.9	219.9	(54.0)	
700.0	Grants	636.0	766.3	(130.3)	17
	(g) Business Resource Centre:				
498.0	Salaries	436.3	499.3	(63.0)	
249.1	Other	245.1	291.3	(46.2)	
13,457.1		12,109.4	12,124.6	(15.2)	
	10-3 Technology Division:				
	(a) Technology:				
	(1) Industrial				
381.9	Salaries	383.2	508.7	(125.5)	18
415.9	Other	414.2	129.0	285.2	19
	(2) Information Technology				
567.1	Salaries	569.8	613.2	(43.4)	
294.6	Other	213.6	402.8	(189.2)	20
2,862.4	(b) Grant Assistance - Manitoba Research Council	2,862.4	2,917.9	(55.5)	
4,521.9		4,443.2	4,571.6	(128.4)	

Industry, Trade and Tourism

Expenditure Summary

For fiscal year ended March 31, 1989
with comparative figures for the previous fiscal year

Authorized 1988/89 ($000)	Appropriation	Actual 1988/89 ($000)	Actual 1987/88 ($000)	Increase (Decrease) ($000)	Explanation #
	10-4 Canada-Manitoba Economic Development Planning Agreement				
120.0		41.5	255.1	(213.6)	21
	10-5 Tourism Division				
	(a) Administration				
163.6	Salaries	138.0	99.9	38.1	
5.0	Other	4.8	10.5	(5.7)	
199.4	Grants	199.4	198.7	0.7	
	(b) Marketing				
790.4	Salaries	835.8	919.8	(84.0)	
3,486.4	Other	3,426.3	2,498.6	927.7	22
	(c) Development				
249.5	Salaries	278.4	240.1	38.3	
249.0	Other	246.9	185.9	61.0	
	(d) Quality Assurance				
121.0	Salaries	92.6	77.3	15.3	
60.0	Other	58.9	40.9	18.0	
	(e) Corporate and Community Relations				
382.4	Salaries	375.8	592.3	(216.5)	23
261.7	Other	252.5	637.8	(385.3)	24
5,968.4		5,909.4	5,501.8	407.6	
	10-6 Canada-Manitoba Tourism Agreement - Destination Manitoba				
0	Salaries	0	61.5	(61.5)	25
0	Other	0	61.5	(61.5)	
	10-7 Canada-Manitoba Tourism Agreement 1985-1990				
663.7	Salaries	628.0	481.2	146.8	26
1,821.3	Other	1,494.3	1,541.9	(47.6)	
2,485.0		2,122.3	2,023.1	99.2	

Industry, Trade and Tourism

Expenditure Summary

For fiscal year ended March 31, 1989
with comparative figures for the previous fiscal year

Authorized 1988/89 ($000)	Appropriation	Actual 1988/89 ($000)	Actual 1987/88 ($000)	Increase (Decrease) ($000)	Explanation #
	10-8 Manitoba Horse Racing Commission				
5,260.8	(a) Grant Assistance	5,083.5	4,999.0	84.5	
86.0	**10-9 Emergency Interest Rate Relief Program**	106.1	157.2	(51.1)	27
	10 Non Appropriation Expenditures - Department Related				
	Court of Queen's Bench Judgement		883.7	(883.7)	
	Contract under Jobs Fund		16.0	(16.0)	
	New Flyer Industry Training Program		628.0	(628.0)	
33,914.0	**TOTAL OPERATING EXPENDITURES**	31,770.6	33,861.4	(2,070.8)	
	10-10 Expenditures Related to Capital				
	(a) Capital Grants				
	(1) Canada-Manitoba Tourism Agreement - Destination Manitoba	0	375.0	(375.0)	28
2,493.3	(2) Canada-Manitoba Tourism Agreement 1985-1990	1,313.8	2,061.9	(748.1)	29
2,493.3	**TOTAL EXPENDITURES RELATED TO CAPITAL**	1,313.8	2,436.9	(1,123.1)	
36,407.3	**TOTAL FOR INDUSTRY, TRADE AND TOURISM**	33,084.4	36,298.3	(3,213.9)	

Expenditure Summary Explanations

Explanation Number	$	Explanation
1	(7.6)	($10.2) pertains to the deletion of Business Development and Tourism Minister's compensation no longer required due to departmental amalgamation with Industry, Trade and Technology. The minister's compensation was increased by $2.6 in the fiscal year 1988/89.
2	(104.2)	Staff years used in 1988/89 were less than in 1987/88. The decrease was made up of vacancies in two positions.
3	(53.7)	Special Advisor's contract expired July 31, 1988 and was not renewed due to the merger.
4	(331.6)	Staff years used in 1988/89 were less than in 1987/88. This decrease was made up of vacancies in five positions.
5	(179.3)	Change in 1988/89 due to reduction to communication expenditure.
6	(302.0)	Seven positions were not renewed due to merger.
7	92.3	Increased activities in the Orient, Europe and the United States resulted in higher operating requirements.
8	(161.0)	Staff years used in 1988/89 were less than in 1987/88 by 9.00 in the areas of Technology Commercialization and Manufacturing Adaptation Programs due to merger.
9	498.8	An increase due to loan write-offs and the establishment of allowance for doubtful accounts.
10	(302.5)	The reduction is due to decreased New Business Assistance disbursements of $135,000 and Technology Transfer payments of $338,000 and an increase in expenditures under the Investment element of the program of $170,000. The Investment element of the program was cancelled in June, 1988.
11	(1,139.9)	$1.0M Allowance for Doubtful Accounts was required in 1987/88 to bring the allowance up to 25% reserve factor on investment account balance also, there was a decline in interest costs in 1988/89.
12	104.9	It was agreed that the Federal Department of Regional Industrial Expansion would support the cashflow requirements during 1987/88 fiscal year. Provincial funding was renewed in 1988/89.
13	244.3	The increase was to establish a $100.0 Allowance for Doubtful Accounts for 1988/89 to adequately cover potential losses plus full year interest charges on funds lent to organizations.
14	84.8	One application was processed in 1988/89. There were no applications approved in 1987/88.
15	462.2	The increase pertains to payments made to the Aging and Rehabilitation Product Development Corporation (a new initiative in 1988/89) plus increased program activities such as business development support and printing of promotional material.
16	254.2	The increase reflects the second year instalment of premium payments to Ecolaire to undertake 65% of the spillway gate contract at Limstone, updating manufacturing data base for Sourcing Directory, and the initial funding for the Manitoba Office in Ottawa.
17	(130.0)	The grants to non-profit community development based organizations and the Canadian Opportunities Investment Network Grants were discontinued in 1988/89. The Manitoba Marketing Network, Inc. grant was paid through the Business Resource Centre in 1988/89.

Expenditure Summary Explanations

Explanation Number	$	Explanation
18	(125.5)	Two Strategic Research positions lapsed in the fiscal year 1987/88, one position was seconded for the major portion of 1988/89.
19	285.2	This reflects full year costs in 1988/89 for the Manitoba Aerospace Technology Program, payment to Radarstat and the final payment to the University of Manitoba to assist in the establishment of a Chair in Applied Electromagnetics.
20	(189.2)	The reduction was due to Business Technology Program component not being implemented, limited capital and software upgrades to existing computer systems and fewer research consulting contracts.
21	(213.6)	Due to financial constraints within the Federal Department of Regional Industrial Expansion and a reduced budget in 1988/89, the department cost shared only the Aerospace study for $41.5.
22	927.7	The government's $1.0M increase in tourism advertising resulted in additional production, media coverage, printing, consumer shows, trade and meeting venues. The writer tour program was expanded.
23	(216.5)	Reduced salary requirements reflect staff years eliminated due to merger.
24	(385.3)	Reduction of operating funds due to merger.
25	(61.5)	Costs pertaining to this agreement ended in the fiscal year 1987/88.
26	146.8	Staff years usage in 1988/89 increased due to stepped up activities under the Agreement.
27	(51.1)	The Manitoba Interest Rate Relief Program is in the final stages of completion. Outstanding loans are decreasing annually which reduced the interest costs.
28	(375.0)	The program was completed at the end of the fiscal year 1987/88.
29	(748.1)	The decrease was due to implementation of a new Work Project and the subsequent progress payments. Cashflows are dependent upon the progress of approved projects and vary from year to year.

Industry, Trade and Tourism
Four Year Expenditure and Staffing Summary by Appropriation ($000)
For the Year Ending March 31, 1986 - March 31, 1989

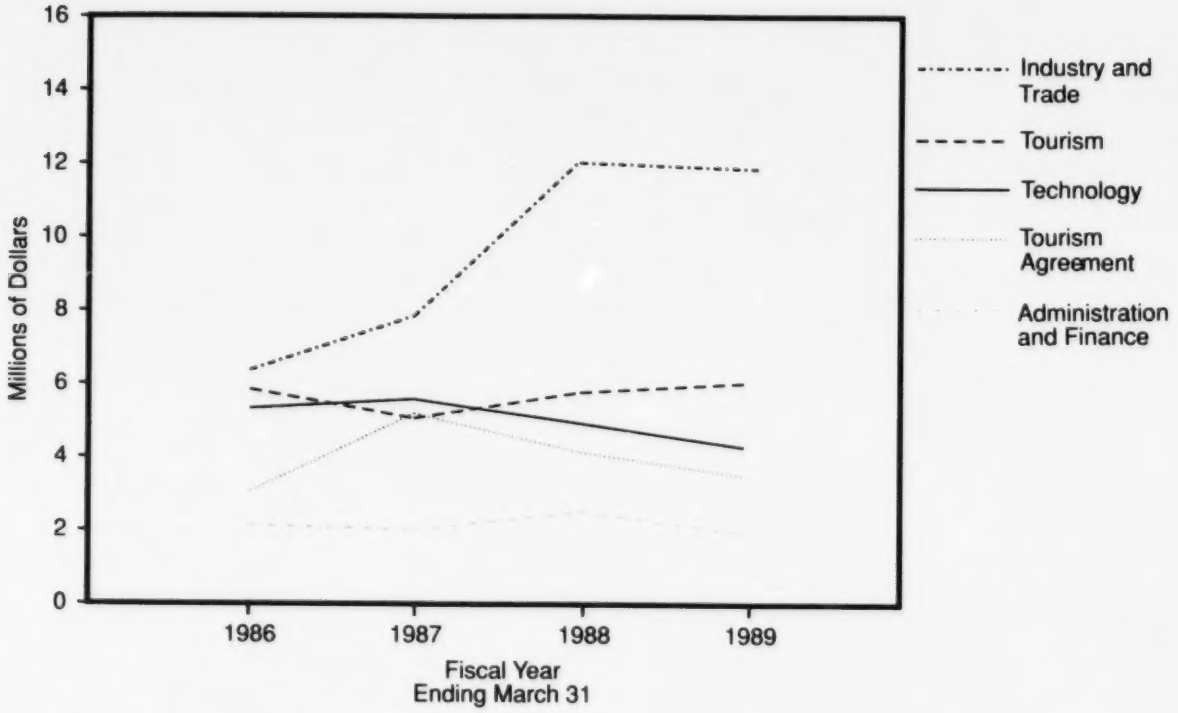
	1985-86		1986-87		1987-88		1988-89	
	SY	$	SY	$	SY	$	SY	$
Administration and Finance	42.39	2,184.9	46.39	2,035.9	47.13	2,639.8	32.24	1,955.2
Industry and Trade Division	58.00	6,499.7	61.00	7,630.6	72.00	12,124.6	74.25	12,109.4
Technology Division	46.00	5,152.7	45.00	5,734.7	56.00	4,571.6	49.45	4,443.2
Canada-Manitoba Economic Planning Agreement		65.2		235.3		255.1		41.5
Tourism Division	49.21	5,559.2	50.21	4,803.9	55.21	5,501.8	48.01	5,909.4
Canada-Manitoba Tourism Agreement								
Destination Manitoba — Other	8.26	253.8		199.9		61.5		
— Capital		2,622.8		2,883.1				
Canada-Manitoba Tourism Agreement 1985-1990 — Other			9.00	1,410.4	11.06	2,023.1	14.21	2,122.3
— Capital				700.0		2,436.9		1,313.8
Manitoba Horse Racing Commission		4,713.7		4,817.8		4,999.0		5,083.5
Emergency Interest Rate Relief		389.3		351.9		157.2		106.1
Other (1)						1,527.7		
TOTAL	204.34	27,441.3 (2)	212.08	30,803.5 (2)	241.40	36,298.3	219.12	33,084.4

(1) Includes Court of Queen's Bench Judgement, Consulting Services Contract, and New Flyer Industries Training Program

(2) The 1985/86 and 1986/87 Staff Years and Expenditures have been calculated on the basis of the organization as it exists. Jobs Fund Staff and Expenditures have been included only when they continue beyond 1986/87.

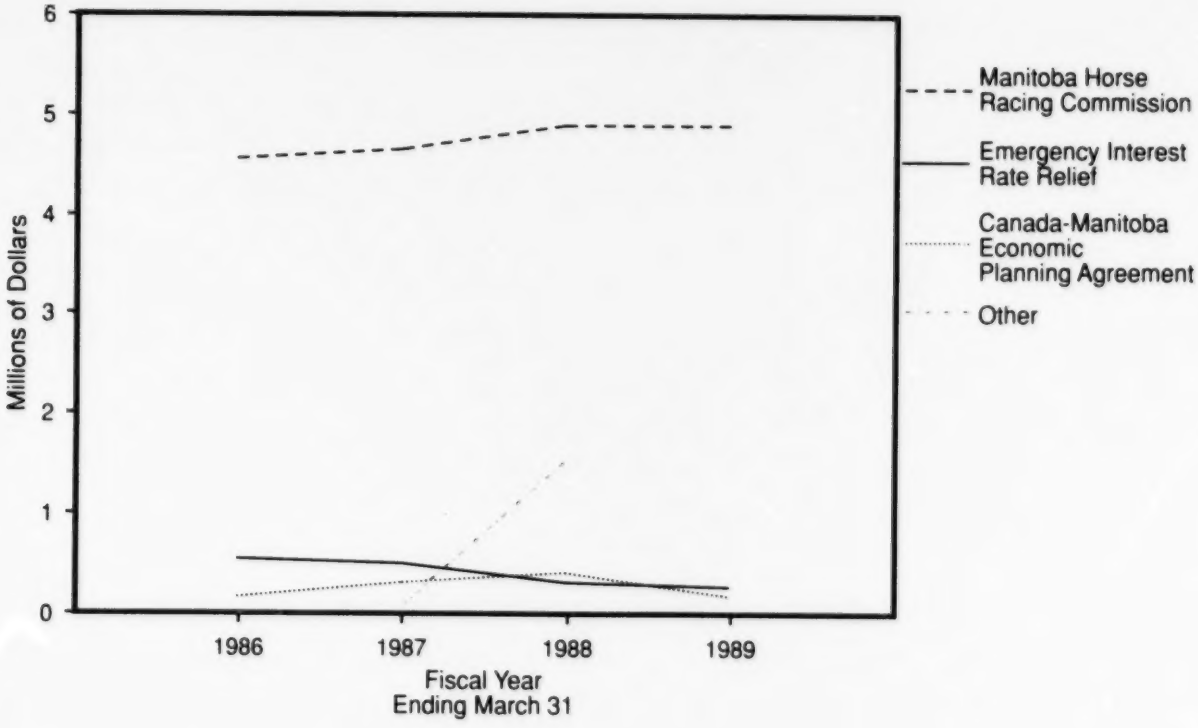
Industry, Trade and Tourism

Four Year Expenditure History
Operating Divisions



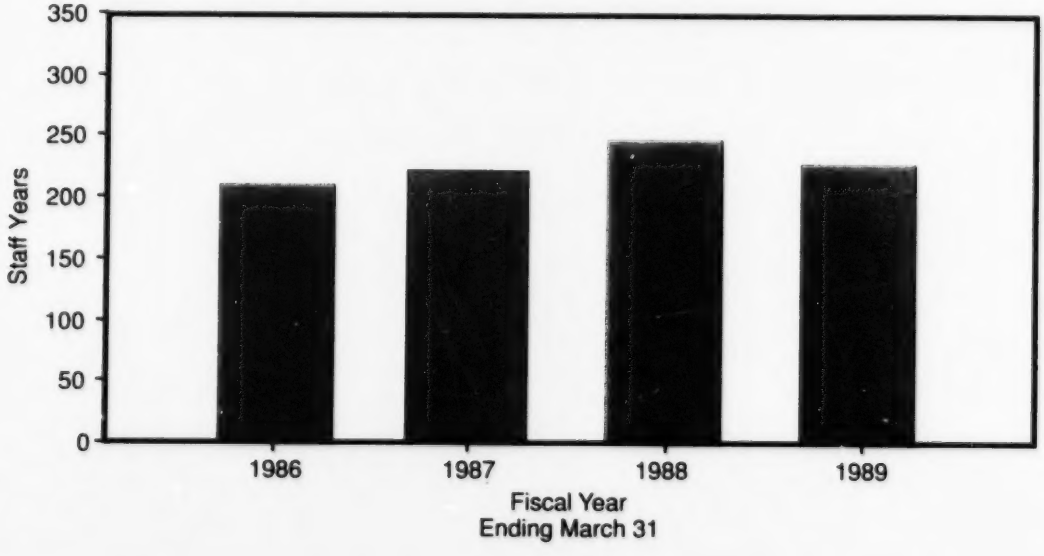
Industry, Trade and Tourism

Four Year Expenditure History
Non Operating Divisions



Industry, Trade and Tourism

Four Year Staff History



Industry, Trade and Tourism

Department Staffing Analysis

Fiscal Year 1988/89

Executive Support

Minister – Hon. J. Ernst
Deputy Minister – H.G. Eliasson
1 – Executive Assistant
1 – Special Assistant
4 – Administrative Support

Strategic Planning

Executive Director – N. Allison (Acting)
5 – Professional/Technical
3 – Administrative Support

Finance and Administration

Director – V. Zinger
5 – Professional/Technical
11 – Administrative Support

Industry and Trade Division – Administration

Assistant Deputy Minister – D. Cleve
4 – Administrative Support

Industry – Sectoral Development

Director – M. Wallace
13 – Professional/Technical
3 – Administrative Support

Industry – Investment Promotion

Director – P. Leslie
4 – Professional/Technical
1 – Administrative Support

Financial Programs

Director – W.J. Kinnear
7 – Professional/Technical
2 – Administrative Support

Health Industry Development Initiative

Assistant Deputy Minister – I.H. Blicq
1 – Director – R. Ebbeling
2 – Professional/Technical
1 – Administrative Support

Trade

Director – H. Goy
9 – Professional/Technical
2 – Administrative Support

Rural Economic Development

Director – J. McGuire
6 – Professional/Technical
3 – Administrative Support

Business Resource Centre

Director – M. Levy (Acting)
6 – Professional/Technical
5 – Administrative Support

Industrial Technology

Executive Director – Dr. J.K. Reichert
5 – Professional/Technical
2 – Administrative Support

Information Technology

Executive Director – E. Gonzalez
7 – Professional/Technical
5 – Administrative Support

The Manitoba Research Council

President – E.O. Nyborg
The Manitoba Research Council staff complement varies from 75 to 90 of which 30 are reflected in the Department's staffing complement.

Tourism Division – Administration

Assistant Deputy Minister – P. Robson
1 – Professional/Technical
2 – Administrative Support

Marketing

Director – H. Mesman
12 – Professional/Technical
7 – Administrative Support
5 – Other (Term)

Tourism Development

Director – Vacant
4 – Professional/Technical
1 – Administrative Support

Quality Assurance

Manager – J. Erickson
3 – Administrative Support

Corporate and Community Relations

Director – T. Lewycky
5 – Professional/Technical
2 – Administrative Support

Canada-Manitoba-Tourism Agreement 1985-1990

12 – Professional/Technical
4 – Administrative Support